

2018

MILWAUKIE, OREGON

Popular Annual Financial Report

Fiscal Year Ended June 30, 2018




CITY OF MILWAUKIE



LETTER FROM THE CITY MANAGER

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Government Finance Officers Association

**Award for
Outstanding
Achievement in
Popular Annual
Financial Reporting**

Presented to

**City of Milwaukie
Oregon**

For its Annual
Financial Report
for the Fiscal Year Ended

June 30, 2017

Christopher P. Morrell
Executive Director/CEO

Dear Citizens of Milwaukie,

I am pleased to present the Popular Annual Financial Report (PAFR) for the fiscal year ended June 30, 2018. This report is designed to provide transparency and accountability of City financial information, which is a key organizational goal.

The City of Milwaukie is proud that it has received all three of the Government Finance Officers Association (GFOA) awards for local government finance:

- Distinguished Budget Presentation Award
- Certificate of Achievement for Excellence in Financial Reporting
- Award for Outstanding Achievement in Popular Annual Financial Reporting

It is our belief that participation in GFOA award programs enhances our citizens' understanding of Milwaukie finances. Attaining these awards demonstrates our belief that sharing financial information in formats consistent with the highest standards in governmental financial reporting is the best way to achieve financial transparency.

The PAFR is designed to provide a summary view of the financial activities of the City. It is a high-level report for citizens who wish to learn more about Milwaukie finances. All information in this report can be found in greater detail in the Comprehensive Annual Financial Report (CAFR) for the City.

Throughout the year, the Finance Department works on budgets, audits, financial policies, financial forecasts, and financial management. As always, the City of Milwaukie invites citizens to share their thoughts and opinions with us.

If you have any questions about this document, please email Finance Director Bonnie Dennis at DennisB@milwaukieoregon.gov.

Sincerely,



Ann Ober
City Manager

The information in this report is drawn from the Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2018. Please review the CAFR online, or email Finance Director Bonnie Dennis at DennisB@milwaukieoregon.gov to request a copy or with questions about this report.

MILWAUKIE LEADERSHIP



Milwaukie operates under a Council-Manager form of government. The Mayor and City Councilors are responsible for establishing policy and providing direction to the City Manager. The Mayor and City Councilors are elected at-large and serve staggered four-year terms. The Mayor presides at official meetings and work sessions.

The City’s administration is committed to professionalism and efficiency. This is the City of Milwaukie’s seventh *Popular Annual Financial Report*, which is published as part of the Finance Department’s ongoing mission to provide the utmost transparency and understanding of Milwaukie’s finances.

Elected Officials as of June 30, 2018



MAYOR
Mark Gamba
12/31/18



COUNCILOR #1
Angel Falconer
12/31/20



COUNCILOR #2
Lisa Batey
12/31/18



COUNCILOR #3
Wilda Parks
12/31/20



COUNCILOR #4
Shane Abma
12/31/18

CURRENT APPOINTED OFFICIALS

Ann Ober City Manager
Justin Gericke City Attorney
Kimberly Graves Municipal Court Judge



CITY COUNCIL GOALS & PRIORITIES

On May 2, 2017, the Council adopted three goals for the 2017-2018 Biennium. Below is a summary of the adopted Council Goals. These goals were re-adopted April 17, 2018 for calendar year 2018. Additionally, Council expanded the Climate Change Action goal to direct more resources towards achieving climate-related items called out in the Vision Action Plan and the CAP.



GOAL 1 HOUSING

Whereas, Milwaukie is in a housing state of emergency; and the Draft Milwaukie 2040 Vision calls for all residents to have affordable housing; and Milwaukie and the Metro Region are currently experiencing record low rental vacancies and extreme housing affordability issues generally, which are causing displacement, disruption of lives and in some cases homelessness. Therefore, the City Manager is directed to take every opportunity to address this housing crisis, including finding and working with partners to add new affordable housing units, and to encourage the private market to develop housing options that are affordable for Milwaukians at every income level and stage of life.



GOAL 2 CLIMATE CHANGE ACTION

Whereas, Climate Change is the single largest threat to the future citizens of Milwaukie; and the Draft Milwaukie Vision calls for Milwaukie to become a Net Zero City by the year 2040 as our contribution towards forestalling the worst effects of climate change. Therefore, the City Manager is directed to begin the process of addressing climate change in the City of Milwaukie and to create the Milwaukie Climate Action Plan and to establish the city’s current carbon foot print as first steps toward dramatically reducing the City’s carbon impact.



GOAL 3 COMPLETION OF MILWAUKIE BAY PARK

Whereas, Milwaukie Bay Park is our most prominent park and remains incomplete; and the citizens of Milwaukie called for its completion in the Draft Vision Action Plan. Therefore, the City Manager is directed to work with North Clackamas Parks and Recreation Department (NCPRD) and our Parks and Recreation Board (PARB) to explore potential changes to the current master plan and to prioritize the accumulation of funding necessary to complete Milwaukie Bay Park by 2022.

ABOUT MILWAUKIE



The City of Milwaukie, located within miles of downtown Portland, offers a small town feel with easy access to Portland and regional activities and services. Within the City, residents regularly engage in City activities as board members, volunteers or simply as participants in a myriad of events organized by local residents and organizations. The City’s estimated population is 20,556.

Known as the “Dogwood City of the West,” Milwaukie’s economy is linked with the entire Portland Metropolitan area. The downtown area of Milwaukie is undergoing a revival in which new apartments and retail space are under construction and a riverfront park is being developed.

Milwaukie provides a clean environment, good transportation, schools, health care centers, and many cultural opportunities. The Sunday Farmers’ Market, Art a la Carte on the first Friday of the month, and the on-going poetry series are just a few of the many cultural offerings in the City.

The City’s administration is committed to professionalism, efficiency, and customer service. The City operates its own police department, municipal court, water, wastewater, and stormwater utilities, and provides street operations, planning, building inspections, engineering, community development and library services.

Clackamas Fire District #1 provides fire and emergency services and North Clackamas Parks and Recreation District provides parks and recreation services to the community. Milwaukie lies within Clackamas County, which is headed by five commissioners and is based in Oregon City. Milwaukie is also part of METRO, the tri-county urban services district based in Portland.

FY 2018 FACT	FIGURE
City Property Tax Rate:	\$4.1367/\$1,000 TAV
City Bonded Debt Tax Rate:	\$0.4972/\$1,000 TAV
Total Property Tax Rate:	\$19.7781/\$1,000 TAV
City Share of Total:	23%
Total Annual Budget:	\$106 million
Population:	20,556
Employees:	150 FTE
Outstanding Debt:	\$18.4 million
Bond Rating:	Aa2*
City Maintained Roads:	157 lane miles
Building Permits:	298
Sewer Miles:	79
Water Lines Maintained:	101
Number of Traffic Citations:	4,340
Avg. Library Circulation/Capita:	15.80
Unemployment Rate:	3.7%

* Investment Grade - Rated as high quality and very low credit risk.

RANK	PRINCIPAL EMPLOYERS	EMPLOYEES
1	Blount, Inc.	839
2	PCC Structurals	541
3	Providence Milwaukie Hospital	395
4	North Clackamas School District	385
5	OECO LLC	321
6	Nature Bake	252
7	ODS (Moda)	218
8	Active Telesource	163
9	Portland Mechanical Contractors	148
10	City of Milwaukie	147

DOWNTOWN MILWAUKIE: REINVEST, REIMAGINE, REVITALIZE



ARBOR DAY

Almost 200 people enjoyed the 2018 Arbor Day celebration alongside Milwaukie's Tree Board on April 21st at Ball-Michel Park. The festivities included: A tree giveaway; a ceremonial tree planting at Ball-Michel Park with special guest Governor Kate Brown helping out; kids' activities; and more!

LEDDING LIBRARY GOUNDBREAKING CELEBRATION



On October 16th, there was a special groundbreaking ceremony to celebrate the start of construction for the new library building. It was a family-friendly event that featured a creative building challenge with modeling clay, a take-home mini pumpkin decorating activity, lots of sidewalk chalk and a giant Jenga! At 5:15 p.m., the official groundbreaking ceremony began with remarks from the library director and elected officials.





The City of Milwaukie has thirteen appointed boards, commissions, and committees as mandated by the City’s Municipal Code. Qualified applicants are appointed by the City Council following an application and interview process. Terms for membership are two years for all but the Budget Committee and the Planning Commission. For more information about the City’s boards, committees and commissions, and to apply visit: www.milwaukieoregon.gov/bc.

Arts Committee

The Arts Committee works to connect artists with resources and to connect the community with art. The committee has enriched Milwaukie with the City Hall Sculpture Garden, a comic book art show, new murals, and many smaller projects.

Audit Committee

The Audit Committee ensures audits of the financial statements are completed annually, that oversight of the city’s independent auditors is a shared responsibility between city management and the City Council, and that the City Council has the opportunity to assist city management in the review and selection of the city’s independent auditor to ensure transparency in the management of city audits.

Budget Committee

The Budget Committee is established in accordance with the provisions of ORS 294.336 to review the annual city budget document as prepared by the city budget officer and to recommend an approved budget to the City Council for adoption.

Milwaukie Center/Community Advisory Board

The Community Advisory Board advises the Milwaukie City Council and North Clackamas Parks and Recreation District (NCPRD) on Milwaukie Center needs. The board weighs-in on capital improvement projects, programs, policies, and makes budget recommendations to the NCPRD.

Citizens Utility Advisory Board (CUAB)

The CUAB was established for the purpose of advising the City Council on the methods and manner in which city utility rates and capital improvements are scheduled and carried out.

Community Action Board (CAB)

The CAB is a county-level social needs group that advocates on issues related to people and households with low-incomes. The Mayor of Milwaukie serves as a CAB member and appoints an alternate to attend meetings in his or her absence.

Design and Landmarks Committee (DLC)

The DLC was established to advise the Planning Commission and City Council on urban design, architectural, and historic preservation activities including but not limited to design review of development proposals in the downtown, education and outreach, designation of historic districts and landmarks, and historic and cultural resources inventories.

Kellogg Good Neighbor Committee (KGNC)

The KGNC's purpose is to recommend to the City Council how the "good neighbor fund" should be prioritized and spent. This fund was established through the Intergovernmental Agreement (IGA) between the city and Clackamas County Service District #1 for the provision of wastewater treatment services.

The KGNC has recommended to provide financial support for the Riverfront Park area adjacent to the Kellogg Wastewater Treatment Plant, overseen the completion of an odor study, and implemented a landscaping plan for the area around the plant.

Library Board

The public library board was established for the purpose of advising City Council and Ledding Library staff regarding library patrons’ needs. The board shall be responsible for, but not limited to, the following activities:

- Reviewing and commenting on library rules and policies
- Commenting on the acceptance of donations of personal property or funds to the library
- Commenting on the annual operating budget for the library
- Commenting on sites for public library buildings or for location of library facilities
- Other activities Council may assign

Park and Recreation Board (PARB)

PARB was created to focus greater energy and resources toward meeting community park and recreation needs through cooperative partnership with the city and the NCPRD.

Planning Commission

The Planning Commission was established for the purpose of reviewing and advising on matters of planning and zoning according to the provisions of the Comprehensive Plan, Zoning Ordinance, and other planning implementation documents.

Public Safety Advisory Committee (PSAC)

The PSAC advises and makes recommendations on community livability concerns related to public safety and neighborhood livability in Milwaukie and its Urban Growth Boundary. PSAC members include representatives from each of the city’s seven neighborhoods.

Tree Board

The Tree Board maintains the city's plan for trees and shrubs in public places and advises City Council and NCPRD on tree-related policies.



OVERVIEW OF AUDITED RESULTS



The following summary highlights are taken directly from the Management Discussion and Analysis section of the fiscal year 2018 Comprehensive Annual Financial Report (CAFR):

- The City’s assets totaled \$117.8 million at June 30, 2018, consisting of \$73.2 million in capital assets, \$26.0 million in unrestricted cash and investments, \$12.2 million in restricted cash and investments, and \$6.4 million in other assets. Total assets increased by \$8.7 million (8%) from the previous fiscal year.
- The City’s liabilities totaled \$38.6 million at June 30, 2018 consisting of \$33.0 million in long-term liabilities and \$5.6 million in accounts payable and other liabilities. Total liabilities decreased by \$0.7 million from the previous fiscal year.
- The assets of the City exceeded its liabilities by \$83.9 million at the close of fiscal year 2018. Unrestricted net position totaled \$5.5 million with the remainder of the City’s net position invested in capital assets (\$66.2 million) and restricted for capital projects, building operations, library services, debt service, and public safety (\$12.2 million).
- For its governmental activities, the City generated \$12.1 million in charges for services and received \$6.2 million in operating and capital grants and contributions. Direct expenses, including interest on long-term debt for governmental activities were \$27.1 million for the year, resulting in a net expense of \$8.8 million. The City also received \$13.1 million of general revenues and the City increased its net position by \$4.2 million. The increase is attributed to various intergovernmental grants and increased activity in the Building Inspections Fund.
- For its business-type activities, the City generated \$15.9 million in charges for services to fund direct expenses of \$12.9 million. Business-type activities had an increase in net position of \$3.0 million as a result of rate increase, interest earned and gains on disposal of assets.
- Fund balance in the City’s governmental funds was \$25.2 million at June 30, 2018, an increase of \$2.2 million from the previous fiscal year. The increase in mainly attributed to intergovernmental grants, interest earnings and fee increases.

BALANCE SHEET // STATEMENT OF NET POSITION

The Statement of Net Position reflects a healthy financial condition as of June 30, 2018. The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources by \$83 million at the close of fiscal year 2018. This balance sheet is presented as a high-level summary overview of net position.

	As of June 30, 2018	As of June 30, 2017	As of June 30, 2016
Assets			
Current asset and other assets	\$ 44,713,222	\$ 39,528,056	\$ 25,268,246
Capital assets	73,168,912	69,610,070	70,724,373
Total assets	117,882,134	109,138,126	95,992,619
Deferred Outflows of Resources			
Pension / OPEB	5,056,085	8,030,806	1,197,454
Liabilities			
Current liabilities	5,561,918	5,930,871	4,129,176
Long-term liabilities	33,006,818	33,344,654	15,286,037
Total liabilities	38,568,736	39,275,525	19,415,213
Deferred Inflows of Resources			
Pension / OPEB	391,315	358,861	1,531,341
Net Position	<u>\$ 83,978,167</u>	<u>\$ 77,534,546</u>	<u>\$ 76,243,519</u>

For greater detail, see the City’s complete *Comprehensive Annual Financial Report*, available online at www.milwaukieoregon.gov/finance.

INCOME STATEMENT // STATEMENT OF ACTIVITIES

The Statement of Activities reports all financial activity for the fiscal year ended June 30, 2018. This statement presents high-level summary information about how the City’s net position changed during fiscal year 2018 as a result of all financial activity (i.e. revenues and expenses).

	FY 2018	FY 2017	FY 2016
Revenues	\$ 47,267,610	\$ 40,818,099	\$ 37,434,951
Expenses	(40,050,818)	(39,527,072)	(37,817,175)
Increase (Decrease) in net position	7,216,792	1,291,027	(382,224)
Net position, beginning of year	76,761,375	76,243,519	76,625,743
Net position, end of year	<u>\$ 83,978,167</u>	<u>\$ 77,534,546</u>	<u>\$ 76,243,519</u>

For greater detail, see the City’s complete *Comprehensive Annual Financial Report*, available online at www.milwaukieoregon.gov/finance.

The City of Milwaukie is committed to responsible fiscal management through financial integrity, prudent stewardship of public assets, planning, accountability and full disclosure. The broad purpose of Fiscal Policies is to enable the City to achieve and maintain a long-term stable and positive financial condition. These policies are adopted by the City Council as the basic framework for overall financial management of the City, to guide day-to-day and long-range fiscal planning and decision making, and to achieve the following general financial goals:

- 1. Provide an adequate financial base to sustain the desired level of municipal services to maintain the social wellbeing and physical conditions of the City.
- 2. Deliver cost effective and efficient services to citizens.
- 3. Provide and maintain essential public facilities, utilities, and capital equipment.
- 4. Protect and enhance the City’s credit rating to obtain the lowest cost of borrowing and assure taxpayers and the financial community that the City is well managed and financially sound.
- 5. Provide the financial stability needed to navigate through economic downturns, adjust to changes in the requirements of the community, and respond to changes as they affect the City’s residents and businesses.
- 6. Adhere to the highest standards of financial management and reporting practices as set by GFOA, the Governmental Accounting Standards Board, and other professional standards.
- 7. Fully comply with finance related legal mandates, laws and regulations.
- 8. To achieve these goals, fiscal policies generally cover areas of revenue management, operating and capital budgeting, financial planning and forecasting, investment and asset management, debt management, accounting and financial reporting, reserves, and internal controls. These policies are reviewed annually by management, the Budget Committee, and City Council and amended as necessary as part of the budget process.

To review all financial policies for the City of Milwaukie, please see page 20 of the *Milwaukie Adopted Budget for the 2017-2018 Biennium*, available online at www.milwaukieoregon.gov/finance/budgets.



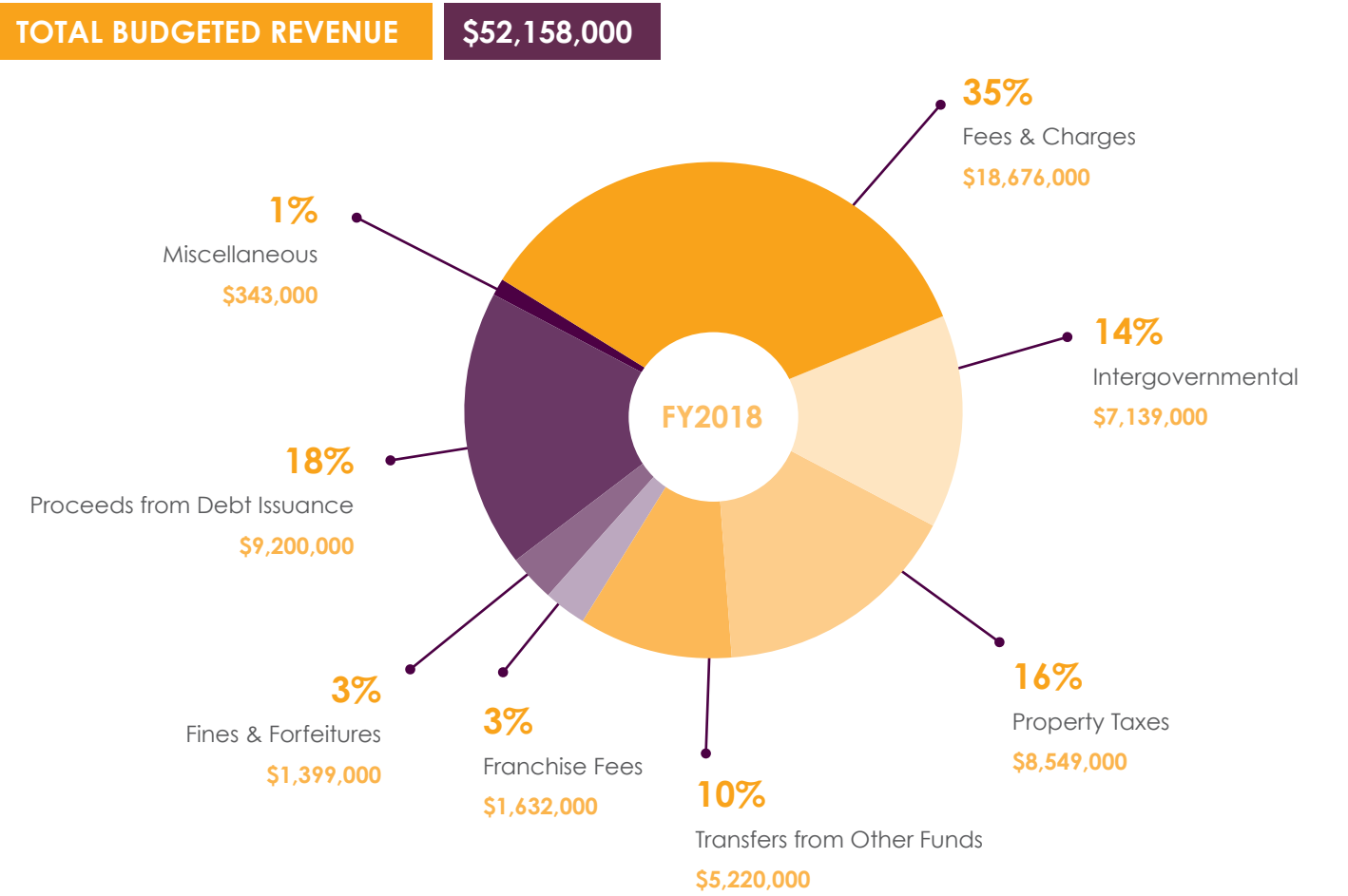
The Budget Committee unanimously approved the 2017-2018 Biennial Budget which was then adopted by the City Council on June 7, 2016. On February 9, 2017, a supplemental budget resolution was approved through the first year of the 2017-2018 biennium. The Budget Committee unanimously approved the 2015-2016 Biennial Budget which was then adopted by the City Council on June 17, 2014. On December 16, 2014, a supplemental budget resolution was approved through the first year of the 2015-2016 biennium, and on April 19, 2016 a second supplemental budget resolution was adopted through the second year of the 2015-2016 biennium. To best illustrate trends, below are the fiscal year budget amounts for the most recently adopted budget, including supplemental budgets, along with comparative fiscal years.

	FY 2018	FY 2017	FY 2016	FY 2015
City Budget:				
Personal Services	\$ 16,907,000	\$ 15,892,000	\$ 15,530,000	\$ 14,664,000
Materials & Services	12,429,000	12,122,000	11,197,000	11,031,000
Debt Service	930,000	869,000	973,000	4,959,000
Transfers	5,220,000	5,160,000	4,470,000	4,420,000
Annual Operating Budget	35,486,000	34,043,000	32,170,000	35,074,000
Capital Outlay	20,477,000	13,322,000	7,608,000	11,875,000
Reserves	12,051,000	15,856,000	9,374,000	10,785,000
Total City Budget	\$ 68,014,000	\$ 63,221,000	\$ 49,152,000	\$ 57,734,000

Note: The budgeted data presented is projected data which may differ significantly from the Generally Accepted Accounting Principles derived data in the Comprehensive Annual Financial Report (CAFR).

BUDGET: WHERE OUR MONEY COMES FROM

The City of Milwaukie budgets at the “fund” level. The City maintains nine distinct funds to account for governmental services. A fund is a fiscal and accounting entity with self-balancing accounts to record cash and other financial resources, related liabilities, and balances and changes, which are segregated for specific activities and objectives.



MAJOR REVENUE TYPES INCLUDE:

Fees & Charges (35%)

Charges for water, wastewater, stormwater, and street maintenance are charged to all users in the City of Milwaukie. The fees for water, sewer, wastewater, stormwater, and street maintenance are established through the City fees and charges resolution; this resolution is updated each year. The City Council approves utility rates based on costs to provide services.

Intergovernmental (14%)

State revenues are distributed to cities based on state statute, which defines formulas incorporating population and per capita income. The League of Oregon Cities provides the source data for State Revenue Sharing projections. Pursuant to ORS 221.770, the City of Milwaukie must elect to receive its proportionate share of the revenues to be apportioned to the cities by the State of Oregon for the fiscal year. Further, ORS 221.760 provides that cities located in a county having more than 100,000 inhabitants, according to the most recent federal decennial census, can disburse state shared revenue funds only if the city provides four or more of the following services: police protection; fire protection; street construction, maintenance, and lighting; sanitary sewer; storm sewers; planning, zoning, and subdivision control; one or more utility services.

BUDGET: WHERE OUR MONEY COMES FROM (CONTINUED)

Property Taxes (16%)

Milwaukie’s permanent tax rate is applied to the projected taxable assessed value of property to generate revenues to support core City operations. The City assumes a 94 percent collection rate for property tax revenue, so the budgeted total amount of property taxes is approximately 94 percent of the total calculated property tax revenue. Taxable assessed values of existing property are limited to an increase of three percent per year; value added to a community via new construction increases the assessed value over the three percent growth rate limited by Measure 50.

The City passed Ordinance No. 1958 in February 2008 following the annexation Ballot Measure 3-166 where the voters authorized the annexation of fire services into Clackamas Fire District No. 1 (CFD). This Ordinance reduces the City’s permanent tax rate of \$6.5379 per \$1,000 of assessed value by the permanent rate of the Fire District, equating to \$2.4012 offset by its annual bonded debt rate until then existing bonds were paid off in fiscal year 2014-15. Accordingly, the actual property tax rate levied by the City is its permanent tax rate of \$6.5379 less CFD’s permanent rate of \$2.4012 or \$4.1367.

Transfers from Other Funds (10%)

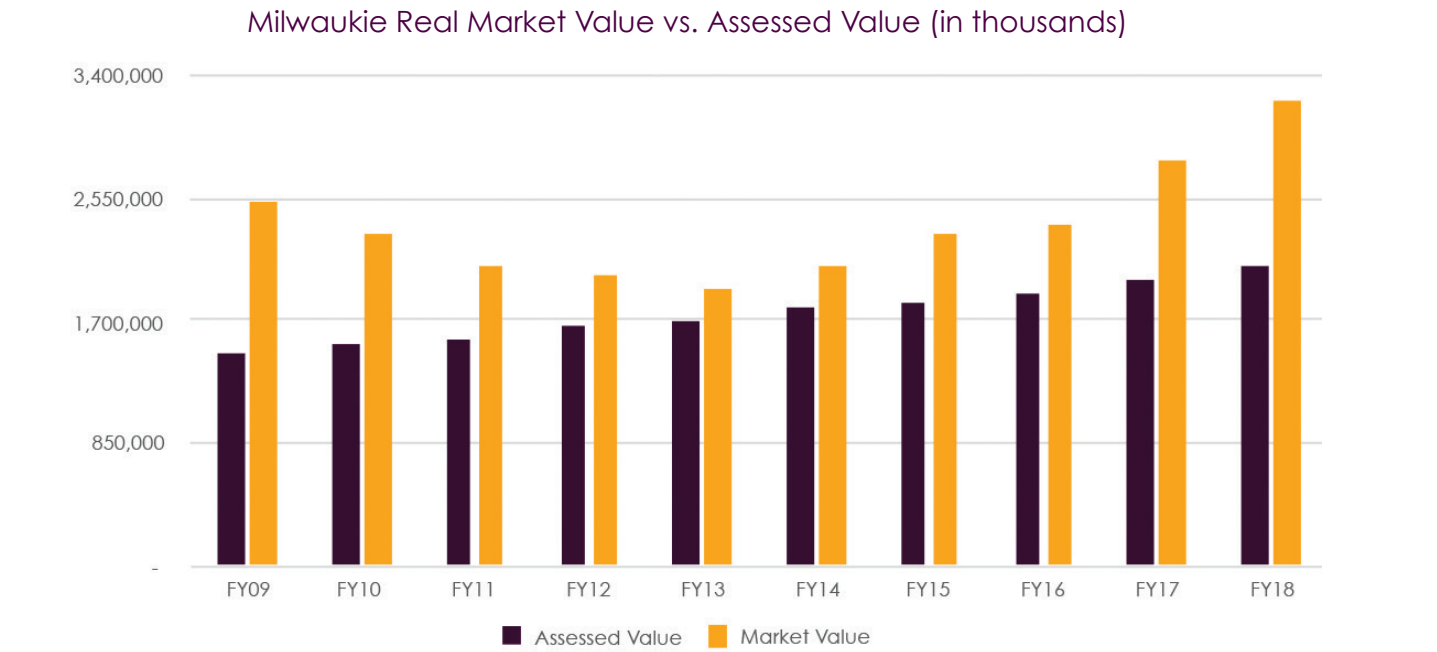
Transfers from other funds occur when revenues are transferred between funds; revenue is received by a fund providing an internal service from a fund receiving the service, where the cost of the service is shown as an expense. All City services that receive reimbursement charge revenue are consolidated into the General Fund. The amount that other funds are charged for reimbursement costs is based on individual metrics identified for

each City service. The City calculates inter-fund reimbursement charges when services are provided to another fund. The cost of these services is based on a cost allocation methodology, which assumes that the services provided have value, and that value is shown as a reimbursement amount.

Franchise Fees (3%)

The City of Milwaukie receives franchise fees for the use of public rights of way within the City for utility, solid waste and recycling collection, and similar services. Fees are paid for the right to this access.

REVENUE TYPE	BUDGET \$ (in thousands)	%
Fees & Charges	18,676	35%
Intergovernmental	7,139	14%
Property Taxes	8,549	16%
Transfers from Other Funds	5,220	10%
Franchise Fees	1,632	3%
Fines & Forfeitures	1,399	3%
Proceeds from Debt Issuance	9,200	18%
Miscellaneous	343	1%
TOTAL	\$52,158	100%

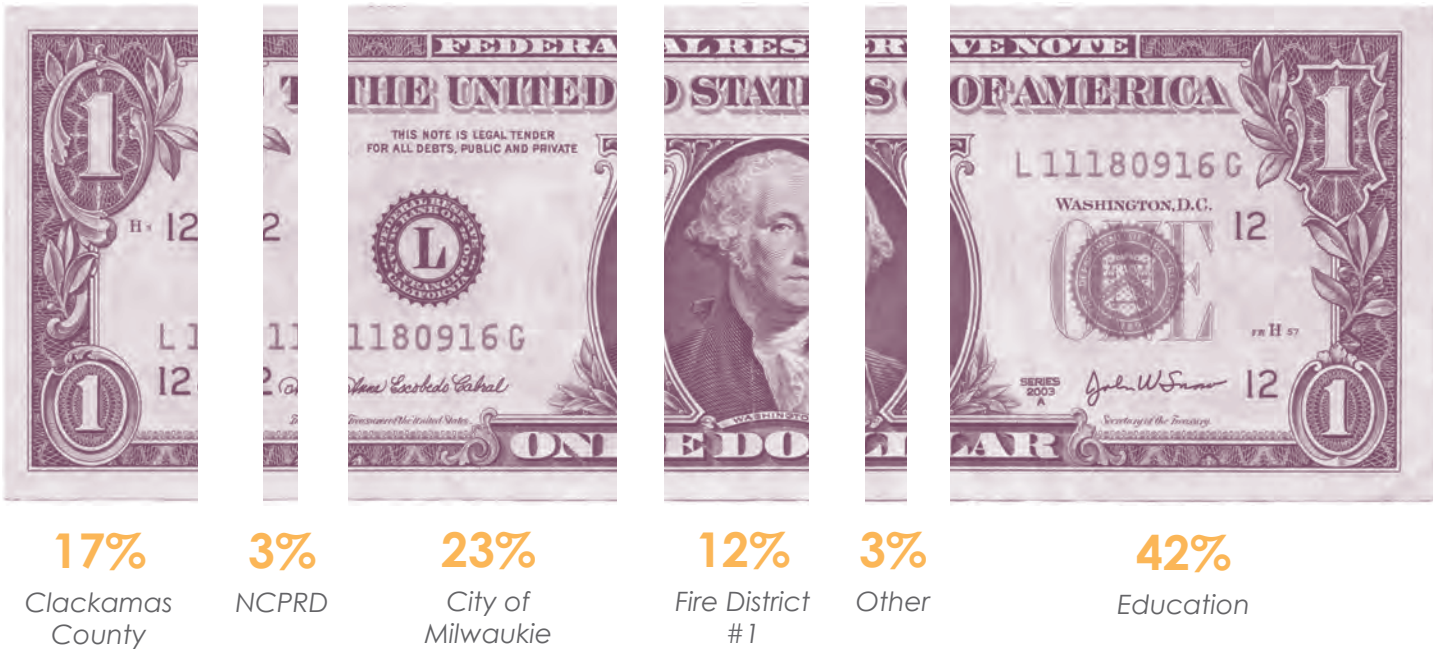


Note: The budgeted data presented is projected data which may differ significantly from the GAAP derived data in the Comprehensive Annual Financial Report (CAFR).

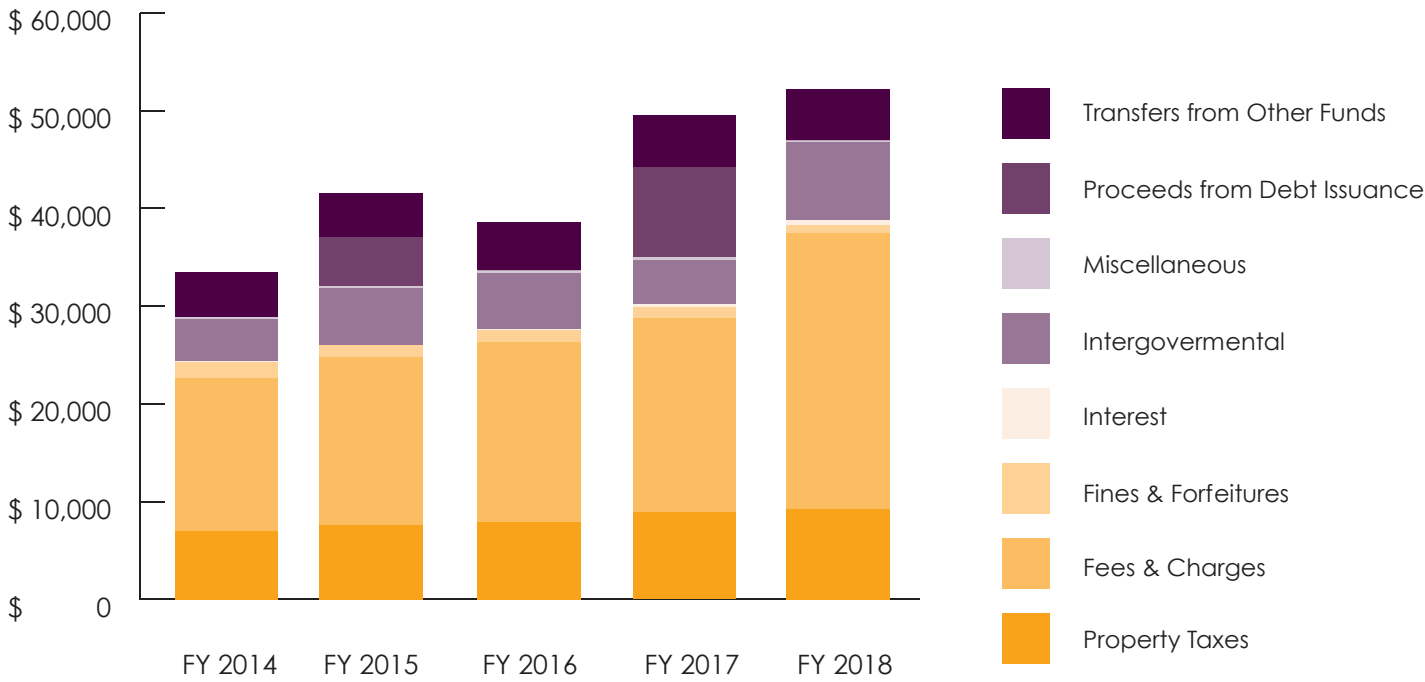
WHERE YOUR TAXES GO

Milwaukie Property Tax Dollars:

Clackamas County assesses property taxes on behalf of the county, schools, special districts, and the City of Milwaukie on a consolidated property tax bill. Of this tax bill, 23 percent of the total is allocated to the City of Milwaukie. Of every dollar paid, \$0.23 goes to the City:

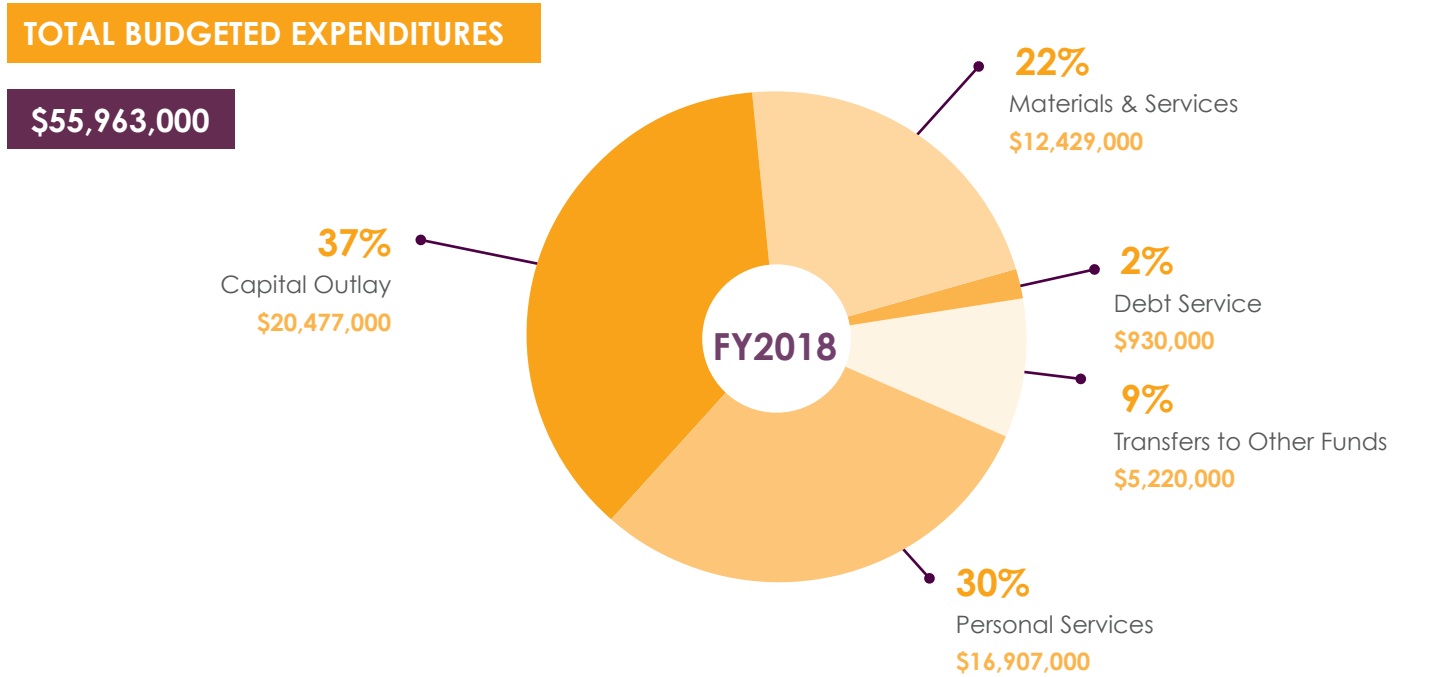


TOTAL ACTUAL RESOURCES BY MAJOR SOURCE (IN THOUSANDS)



HOW WE SPEND OUR MONEY

The City of Milwaukie plans for expenditures using several short and long-range planning tools. Five-year financial forecasts, prior to the development of the budget, guide short-term spending. The five-year forecasting model anticipates projected increases and decreases in revenues and expenditures. Fifty-two percent of total expenditures are represented by Personnel Services and Materials & Services. These requirements relate to the people who provide City services and the materials they need to complete their job requirements. Citywide, budgeted requirements are expected to increase for inflation going forward.



Personnel Services (30%)

Citywide, personnel services budgeted requirements decreased in the 2017-2018 biennium due primarily to the addition of full-time equivalent positions and increasing benefit costs.

Capital Outlay (37%)

The Capital Outlay budget had increased dramatically from prior year due to planned and necessary infrastructure projects over the 2017-2018 biennium.

Materials & Services (22%)

Citywide, Materials & Services budgeted requirement increased over the prior fiscal year are, in many situations, based on known expenditure increases. Where such increases are unknown, 2017-2018 biennium amounts are identified using an inflationary cost increase from the prior biennium.

Debt Service (2%)

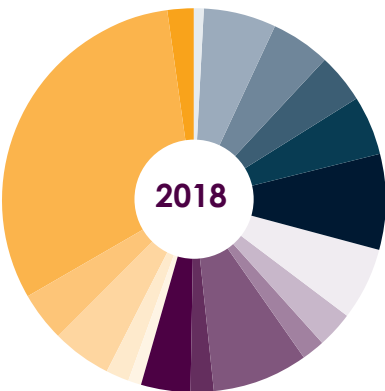
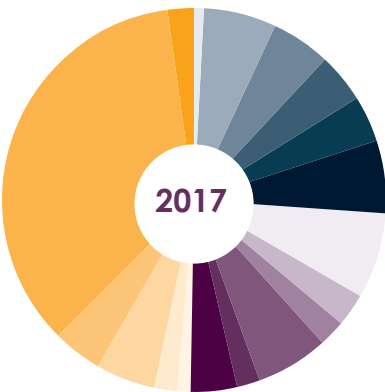
Biennial Debt service requirements are based on known obligations of the City.

Transfers to Other Funds (9%)

Budgeted transfers represent transfers to account for the support services costs of General Fund departments.

HOW WE SPEND OUR MONEY (CONTINUED)

GENERAL FUND

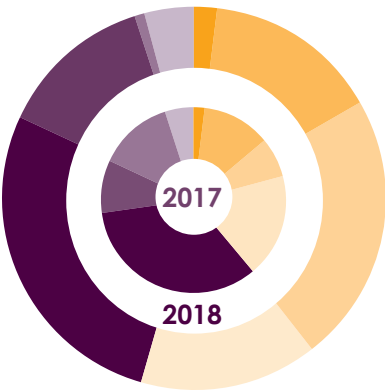


EXPENDITURES BY DEPARTMENT

	FY17	FY18
City Council	1%	1%
City Manager	6%	6%
City Attorney	0%	0%
Community Development	5%	5%
Public Works Administration	4%	4%
Engineering	4%	5%
Facilities Management	6%	8%
Finance	7%	6%
Fleet Services	3%	3%
Human Resources	2%	2%
Information Technology	6%	8%
Municipal Court	2%	2%
Planning	4%	4%
Code Enforcement	1%	1%
Public Access Studio	0%	0%
Records & Information Mgmt	2%	2%
Nondepartmental	5%	5%
Police Administration	4%	4%
Police Field Services	35%	32%
Police Support Services	2%	2%

TOTAL ACTUAL DOLLAR AMOUNT	\$16,083	\$17,996
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ALL OTHER FUNDS



EXPENDITURES BY DEPARTMENT

	FY17	FY18
Building Inspections Fund	2%	2%
Affordable Housing Fund	0%	0%
Library Fund	12%	15%
Transportation Fund	7%	24%
Water Fund	18%	13%
Wastewater Fund	34%	28%
Stormwater Fund	9%	13%
SDC	13%	1%
Debt Service	5%	4%
Milwaukie Redevelopment Commission	0%	0%

TOTAL ACTUAL DOLLAR AMOUNT	\$17,924	\$24,924
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FINANCIAL PLANNING

The City of Milwaukie prepared a five-year financial forecast prior to the development of the budget. The five-year model takes into account projected increases and decreases in revenues and expenditures. This information is shared during budget deliberations. Financial forecasts are key to strategizing, studying different financial outcomes, modeling demographic trends, anticipating changes in revenue streams, and forecasting utility rates.



GLOSSARY

Business-type Activities

Activities financed in whole or in part by fees charged to external parties for goods or services.

Capital Assets

Land, improvements to land, easements, buildings, building improvements, vehicles, machinery, equipment, works of art and historical treasures, infrastructure and all other tangible or intangible assets that are used in operations, that have initial useful lives extending beyond one year with an initial cost of more than \$10,000.

Capital Grant

Grant received to support acquisition of capital assets.

Charges for Services

Includes a wide variety of fees charged for services provided to the public and other agencies.

Deferred Inflows of Resources

Refers to an acquisition of an asset that is applicable to a future reporting period.

Deferred Outflows of Resources

Refers to a consumption of an asset that is applicable to a future reporting period.

Fund Balance

The net ending balance of a Fund's financial resources that are spendable or available for appropriation.

Governmental Activities

Activities generally financed through taxes, intergovernmental revenues, and other nonexchange revenues.

Governmental Funds

Funds generally used to account for tax-supported activities. There are five different types of governmental funds: the general fund, special revenue funds, debt service funds, capital projects funds, and permanent funds.

Net Investment in Capital Assets

Component of net position consisting of capital assets, net of accumulated depreciation, reduced by the outstanding balances of borrowings attributable to the acquisition, construction or improvement of those assets.

Operating Grant

Grant received to support operations.

Restricted Net Position

Component of net position calculated by reducing the carrying value of restricted assets by amounts repayable from those assets, excluding capital-related debt.

Unrestricted Net Position

The portion of net position that is neither restricted nor invested in capital assets.



CITY OF MILWAUKIE

FINANCE DEPARTMENT

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